
Ingredient branding

- In high involvement and high cost product categories -

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Abstract

Ingredient branding implies that a company incorporates an additional brand into their product in order to increase consumer awareness. This has been proven to be successful in certain product categories such as computers and food. These products can be seen as low involvement and low cost products, since they are bought frequently and generally involves low risk for the consumer. Ingredient branding has never been tested on product categories that are categorised as high involvement and high cost, which is therefore the intention of this thesis. By investigating consumers' attitudes and perception of quality, towards advertisements with and without ingredient brands, we conclude that ingredient branding does not affect consumers in high involvement and high cost product categories, nor in a positive or negative way.

Keywords: Ingredient branding, consumer behaviour, involvement, risk perception

Preface

During this thesis we have realised that no matter how much experience one has regarding how to conduct a study, problems will arise. Problems that occurred we overcame thanks to our own experience and good tutoring. We would therefore like to thank, Urban Ljungquist at the school of economics and management at Växjö University, for his great patience and help. We would also like to thank Anders Pehrsson who has guided us thru this master course, International Marketing Strategy.

While collecting our empirical data at both the University and in Växjö city, we were amazed over how helpful people can be. Therefore, thanks to all anonymous respondents that participated in our study.

Finally, this has been a great experience and an excellent finish for us when we now are heading for the world outside the University. Pleasant reading.

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Regards,

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Summary

Background

Organisations have used brands and branding for more than a hundred years. Today's organisations however, are trying to renew the ways branding can be used as a strategy, by using branding in more diverse settings. One of them is ingredient branding which can be seen as a cooperative branding strategy, where one organisation incorporates the brand of another company into their products. Ingredient branding has received wide recognition among academics as well as practitioners. It has also proven to raise consumer attitudes and perceptions of quality towards products in certain product categories. However, it has never been tested in product categories that can be considered more as investments where the consumer gets highly involved in the purchase.

Objective

Our objective is to see if the use of an ingredient brand can bring forth the same positive effects on consumers' attitudes, perceptions of quality and risk perception, in high cost and high involvement product categories, as in low involvement and low cost product categories. We also aim to explain our findings by turning towards consumer behaviour theory involving the consumer decision making process, level of involvement and perceived risks involved when conducting a purchase that is considered as high cost and high involvement.

Methodology

The research methodology used in this thesis is to some extent a replica of previous studies conducted within ingredient branding. We conducted a survey which was divided into two parts, the first was pictorial where advertisements were showed and the second part consisted of follow up questions. The survey was conducted among 100 respondents consisting of 50 students at Växjö University and 50 non-students at a shopping centre at the outskirts of Växjö.

Conclusion

By using SPSS we can conclude that the use of ingredient brands within high involvement and high cost product categories had no significant effect. It was only the perceived quality that showed a minor change, but this change was too minor to be considered considerable. We were also able to show that the salesperson is important within product categories concerned with high involvement and high cost; however consumers tend to follow their own feelings when going through with the purchase.

Limitations

The research design used in this thesis could have been conducted in several different manners. Therefore we can not exclude the fact that our conclusion might be a result of the research design and that different results might have been found if we had we used a different research design.

Future research

Writing this thesis we have gained insights on how several aspects of our study could have been conducted differently. We recommend that a similar study should be conducted again, this time with well known host brands and ingredient brands that focus on utilitarian needs from a consumer perspective. A more representing respondent group would also increase the arguments for generalisation among a wider population.

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Introduction

Ingredient branding appeared in the 90's as a complement to existing branding strategies. It implies that a company incorporates a second, well known, brand into their products in order to increase consumer awareness and brand equity. This introducing chapter will present what researchers, so far, have concluded on the subject and also where we found our theoretical blind spot that has led to our problem formulation.

Background

Within the area of international marketing the issue of branding plays an important roll. The use of brands and branding is not a new idea; in fact the use of branding is over 100 years old. Today's organisations are trying to renew this area by using branding in more diverse settings. In the Journal of Marketing Management one definition of a brand is offered by Peter Doyle, Professor of Warwick University: "A name, symbol, design or some combination which identifies the product of a particular organisation as having a substantial, differential advantage" (O'Malley 1991 as in Rooney 1995). A second definition is given by Albaum (2002) who claims that a brand can be categorised as "anything that that identifies a seller's goods or services and distinguishes them from others".

Cooperation among organisations has been discussed as a way of creating a competitive edge. The reasons for cooperation can vary and include anything from finding a partner to share expenses with, to the need for a certain competence that can not be located within the organisation (Alter 1993). A successful example of this is the case of the microprocessor manufacturer Intel and their campaign Intel inside. By building a strong brand name Intel gained consumer awareness and as a result, computer manufacturers, for example IBM, decided to use the Intel processor in their computers. IBM also makes sure that the consumers are aware of the fact that their computers are using Intel processors by highlighting this in advertisement campaigns and showing the Intel logo on their products. By using their Intel Inside campaign, Intel has gone from being a part of the computer to becoming a reason for why consumers purchase a certain computer. "Products that don't boast the presence of Intel inside are bound to arouse suspicion among consumers. People will wonder, why don't they use Intel chips? Are they using something cheaper, or not as good?" (www.intangiblebusiness.com, 2006-04-05).

The above example of IBM and Intel is a form of cooperative branding strategy, referred to by many authors as ingredient branding (Vaidyanathan and Aggarwal 2000, Ugglá 2004, Desai and Keller 2002). In the 1990's the issue of ingredient branding appeared as a complement to

earlier studies on co-branding. Ingredient branding is a strategic choice that can create another input of quality and give a competitive edge for companies. Ingredient branding implies that a supplier that produces components or ingredients incorporates their product into a final product that has been developed by another company. A further example, apart from IBM and Intel, is the use of the well known ingredient Dolby in many stereos and receivers, developed by other manufacturers, which are considered as host brands (www.eirepreneur.com 2006-04-06). Positive effects have also been shown in a previous study by Vaidyanathan and Aggarwal (2000), who proved their hypothesis that consumers' attitudes towards a product will become more positive if a well known brand is incorporated into a host brand. They also proved that both perceived quality and brand equity was perceived as higher.

Problem discussion

As can be seen from the above examples, prior research has mainly focused on ingredient branding on products that have relatively low cost and a low consumer involvement. Another popular example of ingredient branding, used in previous studies, is the case of NutraSweet and Diet-Coke. To purchase a Diet-Coke the consumer will not have to put a lot of effort in seeking information about the product and evaluate different alternatives in order to decide if this is a sound purchase. To buy an IBM-computer on the other hand the consumer will normally have to get more involved in the purchase as there are alternatives with different features that might suit different users differently. A computer is also a product that is kept for a longer period of time and hence consumers get more involved in their purchase. These examples are often mentioned in prior research. The purchase of a Diet-Coke requires very little consumer involvement and is of no financial risk for the consumer. A computer would require more involvement and could perhaps constitute a financial risk but is according to us not a product of high involvement and high cost. Examples of products that would fit in this category would be considered more as investments, such as buying a house or a car. Solomon et al (2002) claims that the consumers perceived risk increase as the price of a product increases and also that there are several different risks that might affect the consumer differently. When the perceived risk is high the consumer will tend to become more involved in the purchase and the questions is whether ingredient branding will affect consumers in the same way when they are purchasing products that require them to get highly involved.

When discussing ingredient branding researchers such as Vaidyanathan and Aggarwal (2000) conclude that products with low cost and low involvement such as Coca-Cola and NutraSweet

have been found to be successful, since the consumers' attitudes perceptions of quality increases when an ingredient brand is added. These products are categorised as having low cost, being bought frequently, require low consumer involvement, product classes and brands are often familiar and little effort is required to make the purchase. Hence there are few and small risks involved that the consumer needs to consider before and during the purchase (Solomon et al 2002). Within the field of ingredient branding researchers have focused little on products with a higher level of involvement and cost and the furthest extended example seems to be the case of IBM and Intel which often appear in prior research.

Within the field of consumer behaviour, researchers make a distinction between buying a product out of habit and on the other hand conducting more research before deciding to make the purchase. The latter example is categorised as a high involvement process and could for example be the purchase of a car. Purchases of this kind fall into the complex buyer behaviour category (Engel 1995, Kotler 1997 as in Reed et al 2004). Purchases within this category are seen as expensive, bought infrequently, perceived to be risky and also to be highly self expressive. Within purchases of this kind the consumer will normally seek out the retailer or sales person and a face-to-face interaction is normally required (Reed et al 2004). This raises the question if ingredient branding would be as effective in this product category as in low involvement categories? The consumer might pick up signals from, for example advertising, that they find interesting and also motivational for a future purchase. However, despite this, when the purchase/investment is being evaluated and alternatives are taken into consideration, there is normally an increased need for a consultant/specialist that might affect the consumer's perceptions, concerning the product and its attributes (Solomon et al 2002). When the perceived risk and the cost of the product increase, the consumer will often require the expertise of a salesperson. When this interaction occurs, a level of trust is required in order to reduce the amount of perceived risk and uncertainty (Mitchell 1999).

Since prior studies have shown a positive effect of ingredient branding within low involvement and low cost products such as food and computers, it becomes relevant to investigate if the same positive effects can be found when it involves high involvement and high cost products, such as buying a house or a car.

Problem formulation

What effects does ingredient branding have within high involvement and high cost product categories?

Purpose

The purpose is to investigate the effects of ingredient branding, by examining changes in consumer attitudes and perceptions of quality towards advertisement with and without an ingredient brand. The purpose is further to explain our finding by using theories on consumer behaviour, as these theories state that consumers act differently when purchasing low involvement and low cost products, compared to high involvement and high cost products.

Delimitations

To further explain our specific choice of products for this thesis we refer to Reed et al (2004) who claim that within the complex buyer behaviour category the relationship with the dealer or salesperson is of great importance. Hence we are focusing on products that fall into this category, where the consumer will require or normally seek out an intermediary to get better knowledge about the product.

Theoretical Framework

In this theoretical chapter we will first make a presentation of ingredient branding and explain what previous researchers have concluded on the subject. We follow up this discussion with theories on consumer behaviour since researchers mention that there is a difference in buying behaviour when it comes to products with high cost and high involvement and products with low cost and low involvement.

Ingredient Branding

Ingredient branding, in which key attributes of one brand are incorporated into another brand as ingredients, is becoming increasingly popular among marketers (Wright 1975, Keller and Aaker 1990, Simonin and Ruth 1998, Keller 1998 as in Desai & Keller, 2002). In ingredient branding there is no need for companies to jointly research or develop a new product, nor is there a need to heavily invest in efforts to bring the organisations together when entering new markets (Blackett and Boad 1999). Ingredient branding is more closely related to the brand than the actual product that is incorporated and hence, not just any supplier from a particular product category will do. Another important characteristic of ingredient branding is that both partners rely on each other to get an awareness boost in order to attract more consumers, by promoting the brands together.

When a company wishes to gain a competitive advantage there are multiple ways to proceed. Ingredient branding does not include the introduction of a new product. Instead companies add an ingredient to an existing product and the ingredient brand lends their reputation and their value in order to increase the value of a host brand (Vaidyanathan & Aggarwal 2000). Ingredient branding should modify the host brand to the better as a result from the value that the ingredient brand adds to the host brand. The host brand therefore increases their own brand equity by sending signals to the costumers that they are combining the quality of two products instead of one. The result of ingredient branding is dependent on the importance of the ingredient brand and the consumers associations to it (Desai & Keller 2002). It is therefore important to notice that ingredient branding will not automatically imply success. By using ingredient branding, two brands can present a better composite attribute profile for the consumer by combining and using two complementary brands (Park, Jun & Shocker 1996 as in Desai & Keller 2002). Hence, the result of ingredient branding is depending on the consumers associations to both brands (Vaidyanathan & Aggarwal 2000). It is therefore of great importance that the companies that use ingredient branding clearly makes sure that the

consumer understands the benefits that the ingredient brand is suppose to contribute to the host brand. There could be problems for the company with the host brand to make the ingredient brand tangible for the consumer. One could draw similarities to the offer of a service where it is not always easy for the consumer to see the value when the new benefit is something that he or she expects anyway (Moore 2003). Hence both brands must fit in order to contribute value; otherwise the result of ingredient branding could be that both brands suffer from dilution (Vaidyanathan & Aggarwal 2000).

In a previous study by Voss and Gammoh (2004) where a fake branded product was exposed together with two well known brand/products the researchers found that consumers' attitudes and perceptions of quality increased when a second well known brand was added. The brands where exposed as ingredients in an advertisement in two different ways. First, only the fake branded product was shown alone and secondly the same product was shown with one of the well known brands. The researchers found that the respondents evaluated the second alternative higher when it came to attitudes and perceived quality of the product. Voss and Gammoh (2004) hence proved that an unknown primary brand will receive higher quality and better consumer attention when a well known brand is present. However, they could not support the assumption that a second well known brand would increase the effect compared to when only one well known brand was added. As a result they concluded that ingredient branding was indeed effective, however more than one added brand would not increase the effect further (Voss & Gammoh 2004).

In a similar study, Vaidyanathan and Aggarwal (2000) found support for their hypothesis that the attitude towards a product would increase if a well known ingredient brand was added. They also found supporting evidence that the perceived quality would increase when a familiar ingredient brand was added and also that the well known ingredient brands reputation or brand equity would not be affected negatively by association with an unfamiliar brand. In their study Vaidyanathan and Aggarwal (2000) used an unfamiliar cereal manufacturer and showed the participants a picture of the product and asked the respondents to evaluate the products quality and also state what attitude they had towards the product. In a second depiction, an identical cereal breakfast picture was shown with the difference that the logo of a well known raisin manufacturer was added. The respondents were told that the cereal now contained the raisins of this manufacturer and were asked to make the same evaluation as earlier.

As seen from the examples above ingredient branding has been proven successful when it comes to increasing consumers' attitudes and perceptions of quality towards a product. However, these investigations have been aimed at products with low cost and low consumer involvement and hence little is known about how effective ingredient branding is in high cost, high involvement products, such as buying a house or a car. This is the focus of this thesis and in the next part of this theoretical chapter we aim to find out how consumers act and think when it comes to purchasing products within this category.

The decision making process

The decision-making perspective within consumer behaviour implies that consumers go through four different stages when making a purchase. The four stages consist of problem recognition, information search, evaluation of alternatives and product choice (Solomon et al 2002). The decision making perspective implies that consumers engage in a problem solving task when going through the four stages (Mowen 1988). When applying the decision making perspective upon a consumer within consumer behaviour theories, decision making exists of three related areas, environmental inputs, intervening response systems and behaviour. Environmental inputs means that consumers use information inputs before making a decision, this information can be verbal or written. It also includes tangible and economic benefits. The intervening response system states that the consumers have a cognitive focus, process information which could be either a high or a low involvement process. This behaviour is often used when purchasing a utilitarian product or service (Mowen 1988).

The four stages within the decision making process described above by Solomon et al (2002) are followed for some purchases, however the four stages are not applicable on all types of decisions. If that was the case consumers would spend their whole life making up their mind and not enjoying what they actually will buy or bought. However consumers tend to put a lot of effort in the stage where they evaluate alternatives and when a choice must be made, the so called evaluation of alternatives stage.

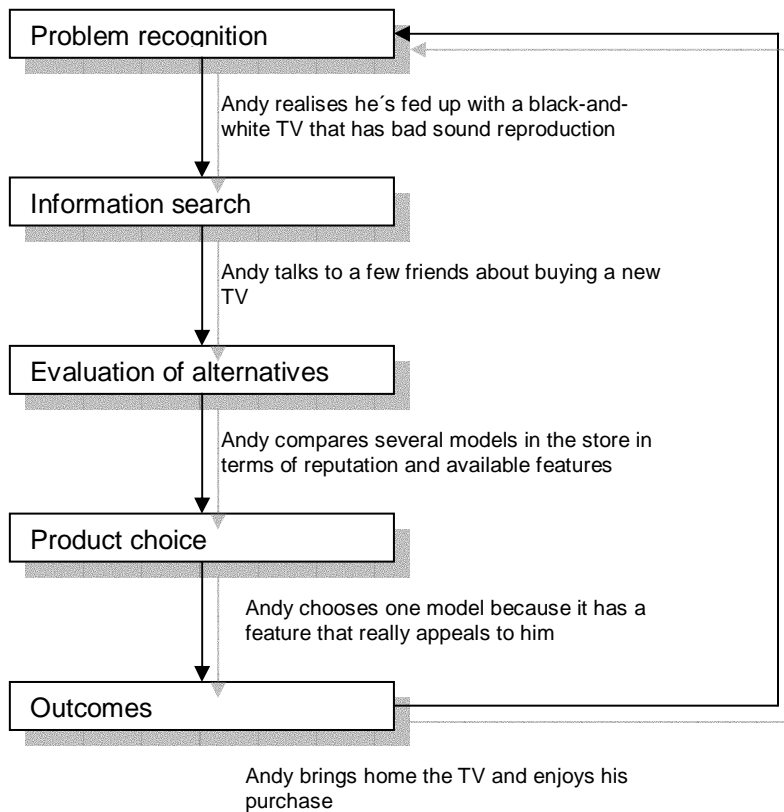


Figure 1.1 Solomon et al (2002), Stages in consumer decision making

It is within the evaluation of alternatives phase, where the consumer evaluates different alternatives that we focus this investigation. In this phase the consumer is becoming very involved with the planned purchase and is also considering different risks related to the product purchase.

Hence, in the following two sections of this theoretical review we will focus on consumer involvement and perceived risk to see how consumers evaluate these two factors when purchasing high involvement and high cost products.

Involvement

Product involvement can be conceptualised and measured in many ways, product involvement is generally related to self-relevance and it can also be defined as the personal relevance or importance of a product category. Product involvement influences consumers' cognitive and behavioural responses which include processes as memory, attention, processing, search and brand commitment to mention some (Coulter et al 2003). Involvement can also be defined as a person's perceived relevance of the objective based on their inherent needs, values and interests. The latter definition implies that aspects of the person, the product and the situation is used to determine the consumer's motivation to process product-related information at a given point in time (Solomon et al 2002). A second explanation of involvement that fits as an overall definition is given by Dholakias (2001) who claim; "*an internal state variable that indicates the amount of arousal, interest or drive evoked by a product class*". McGrath and

Mahood (2004) therefore discuss the relevance of involvement because it suggests that consumers approach product purchase decisions very differently for different types of products.

The type of information processing that will occur thus depends on the consumers' level of involvement. The level of involvement can range from simple processing, which means that only basic features of a message are considered. On the contrary there is elaboration where incoming information is linked to one's pre-existing knowledge systems. When consumption is made out of habit it is characterised by inertia, which means that the consumer lacks the motivation to consider alternatives. Therefore the consumption is considered to be at the low end of involvement. At the high end of involvement, consumers become almost passionate about the product and look for objects that carry great meaning for the individual (Solomon et al 2002). Dholakia (2001) uses two different perspectives to describe involvement, he classifies them as:

1. Enduring involvement, which means that the consumer has an ongoing concern for a product class, and has nothing to do with a specific purchase situation. Hence a common/general interest for a product class, that has associations of a persons self concept, values and ego.
2. Situational involvement refers to the raised level of involvement from a specific purchase. Bloch and Richins (1983) as in Dholakia (2001) views it as "a temporary perception of product importance based on the consumers desire to obtain particular extrinsic goals, that may derive from the purchase or/and usage of the product.

Previous research notes that the information processing procedures are likely to be different depending upon the product type, and that there is a difference between consumers who have a utilitarian need and consumers that have a hedonic need. For example, MacInnis and Joworski (1989) point out that those consumers who have utilitarian needs about a particular product type are more likely to pay more attention about the products attributes. On the contrary a consumer with hedonic needs pays more attention to symbolic and experimental value rather than the product attributes (Park and Moon 2003).

A product that is useful to solve a problem is attached to a high utilitarian value, hence consumers who buy a product to satisfy a utilitarian need tend to behave in a cautious way and are also characterised to be very efficiently oriented to the problem solving (Babin, Darden & Griffin 1994; Engle, Blackwell & Miniard 1993 as in Park and Moon 2003). The hedonic value of a product is decided based upon the ability to provide feelings, rather than to solve a problem. Hence when buying a product to satisfy hedonic needs, consumers tend to be more subjective (Babin et al 1994; Holbrook & Hirschman 1982 as in Park and Moon 2003). However whether the product is utilitarian or hedonic is decided based upon the consumer's subjective judgement about the product and its intrinsic value. Since the consumer decides if a product is of utilitarian or hedonic value, one sole product may include both characteristics (Park and Moon 2003).

The conditions related to involvement generally involve perceived risk (financially, physically, psycho-social or time-generated risk), the expression of one's own personality or mood (usually referred to as value-expressiveness or self concept), the perceived importance and the hedonic value of the stimulus or object (McWilliam 1997). As a result involvement should be evaluated as a multi-dimensional construct since a single dimension would appear inadequate to capture the richness of the concept (Quester and Lim, 2003). Therefore Kapferer and Laurent (1985b) claim that involvement should be analysed along five dimensions to get a clear picture between a consumer and his or her relationship to a product category. The five dimensions of involvement suggested by Kapferer and Laurent (1985b; 1993) are interest, pleasure, sign, risk importance and risk probability. These five facets create the consumer involvement profile (CIP). *Interest* within the CIP means the personal interest a person has in a product category, its personal meaning or importance. *Pleasure* is the hedonic value of the product, its ability to provide pleasure and enjoyment. *Sign* involves the sign value of the product, the degree to which it expresses the person's self. *Risk importance* consists of importance of the potential negative consequences associated with a poor choice of the product. The fifth and final facet is the *Risk probability*, which means the perceived probability of making a poor choice. Depending on these five dimensions, consequences on consumer behaviour, such as time spent on information search, the number of brands examined and the attention paid on advertising messages, may differ between individuals with respect to different product categories. By using the full profile of the dimensions one is able to predict consequences of involvement. The profile may be used on any product class (Kapferer and Laurent 1985b as in Quester and Lim 2003).

In the following theoretical chapter we will look closer at the subject of perceived risk. There are different forms of perceived risk and we aim to find out what risks are being perceived highest by consumers purchasing high involvement and high cost products.

Perceived risk

Perceived risk receives attention from both practitioners and academics and has been applied in a wide range of research areas, such as banking and dental services (Farquhar 1994, Grewal et al 1994, Alden et al 1994, Coleman et al 1994, Ho and Viktor 1994 as in Mitchell 1999). It has appealed to researchers and practitioners since it can be used to facilitate marketers to see the world through the eyes of the consumer, it can also be universally applied (Mitchell 1999). Perceived risk has been used to explain consumers' behaviour, since consumers are often more inclined to avoid mistakes and uncertainty than to secure a high utility when making a purchase. It can also be used to analyse brand-image development, targeting, positioning and segmentation (Mitchell 1999).

As a rule, purchase decisions that involve extensive information search also entail some kind of perceived risk. The consumer may believe that the product in question can bring negative consequences. The perceived risk is often higher when it concerns products that are expensive, complex or difficult to understand (Solomon et al 2002). Solomon et al (2002) mentions five different types of risk, both objective and subjective. These risks are monetary risk, functional risk, physical risk, social risk and psychological risk. In general the higher value, more complicated and more involving products are, the riskier they become in the eye of the consumer. With durable experience goods that are normally expensive, financial risk is considered to be highest, whereas in highly usable goods like clothes, the psychological risk was considered to be highest (Mitchell 1999). Solomon et al (2002) claim that the monetary risk involve purchases of high-price items that require substantial expenditures. When the risk/uncertainty is high the consumer will always be inclined to reduce the risk involved with the purchase. One way of reducing risk is to build on trust. This can be from high involvement in a particular brand, more commonly known as brand loyalty, which has shown to be a risk reducer (Roselius 1971 as in Mitchell 1999). Another aspect of trust that is more related to relationship marketing is the trust that is found between two or more parties (Mitchell 1999), for example a consumer and a salesperson or buyer and a seller at two companies. Solomon et

al (2002) also highlights the fact that the consumer will try to reduce risk in different ways depending on if the purchase is of high cost and complex or if it is of low cost and something that is bought relatively frequently. He mentions that since so many different criteria's are used, and a vast amount of information is processed actively to evaluate a product of high cost and high involvement, the consumer tend to seek out sales personnel to get a second, expert opinion to reduce the risk (Solomon et al 2002). Information becomes more important as the financial risk of the purchase becomes higher (Hilton 1981, Gould 1974 as in Mehrez 1985). However, Mitchell (1999) mentions that there is a problem in that previous studies on perceived risk have mainly focused on low cost products where there is minimal risk involved. He therefore suggests that future research should be aimed at high value products, such as cars, jewellery and houses.

Research design

In this chapter a presentation of the methods used to collect and analyse our data will be presented. Since our thesis, to a certain extent, uses the research design, created by previous researchers, this design will be presented simultaneously as the one used for this thesis.

Research Design and Stimuli

In 2004 Voss and Gammoh conducted an investigation where they concluded that their hypothesis, that a second brand would increase consumer perceived quality and attitude towards a product, indeed was correct. This research was based on a low involvement and low cost product where they chose to use a digital camera with a made up brand name. They then used SONY and Hewlett Packard (HP) as ingredient brands to see if consumers would have a more positive attitude and perceive the quality of the camera higher when these two brands were included. To verify that Voss and Gammoh (2004) used highly recognisable brands as ingredients they performed pre-tests. The pre-tests indicated that SONY and Hewlett Packard were well known and highly respected brands.

This thesis will use a similar study design, but since ingredient branding has never been tested before on products with high involvement that are sold at a high cost, products within this category will be used. Hence, we conducted a quantitative study where the respondents were individuals that we selected based on availability at both the University of Växjö and at a shopping centre at the outskirts of Växjö. Hence we studied the decision making process where the respondents were asked to evaluate different alternatives when they were put in the situation that they were about to buy a house and a car. By doing this investigation we were able to see what effects ingredient branding had within these product categories. However, we also decided to conduct a follow-up survey in order to explain the findings in our first pictorial survey (Appendix 3). As a result, our study design were composed of two parts that were conducted at the same time with our respondents.

Data collection method

The data collection was divided up in two different steps:

1. We begun by using the model designed by Vaidyanathan and Aggarwal (2000) and choose participants at the University of Växjö and at a shopping centre at the outskirts of Växjö and invited them to participate in a test. Our method for selection has been to first of all divide the respondents in to two categories, students and non-students. Andersen (1998) and Rosengren (2002) identify this as a stratified selection. In a stratified selection, when respondents have been divided into different categories, the researcher can randomly select respondents from each category. We chose to use an equal amount of respondents from each category to secure that none of the categories would be underrepresented, a proportional selection (Andersen 1998). We decided to conduct a survey since our study is quantitative and we had standardised questions (Andersen 1998). According to Nachmias and Nachmias (1996) there are three different survey methods, telephone, mail and the personal interview. We decided to use the personal interview even though it generally demands more time. However this method secures that the researcher can control the situation, get a high response rate and collect detailed information (Nachmias and Nachmias 1996). In the survey we presented the respondents to two different product categories, both with high cost and high involvement, by showing them advertisements of two different products; 1. a house and; 2. a car. The house advertisement was fake and the brand name Euro house AB was made up by our selves. The car advertisement on the other hand was a real brand. But since we wanted the focus of this investigation to be on the ingredient brand we chose a car brand that few people were familiar with, prior to this study. The use of a fake brand and a brand that few people are familiar with would secure that we collected non biased answers due to the brands position on the market. In that way we argue that the risk that the respondents already have an attitude towards the brand is minimal. However, in order to be sure, we conducted a pre-study to conclude that the knowledge about the car brand was relatively low and found that only one out of ten respondents had ever heard about the brand SsangYong earlier.

This first step of our research design was divided up into four different moments:

1.1 We started of by showing the respondents an advertisement for a house. The respondents were told that this was a European house manufacturer looking to expand on the Swedish market by offering quality houses at competitive prices. The upper right corner of the

advertisement introduced the brand name Euro House and at the left bottom of the advertisement, product features were listed. The respondents viewed this picture for 15 seconds and were then asked to fill out a survey where they evaluated three different measures. The first evaluation was related to the attitude the participants had towards the product and was divided into two different categories. 1. the utilitarian attitude which refers to the functions that are performed by the product and 2. hedonic attitude, which derives from the sensation of using a product. Using these two measures can reveal differences/positions that may not be apparent when a single dimension of attitude is used (Voss et al 2003). 3. The third and last variable was related to the perceived quality that the respondents associated with the product in the advertisement. In order to conduct this survey we used the research design from Voss et al (2003) and Voss and Gammoh (2004) who conducted a survey where they found a list of adjectives that described the variables utilitarian and hedonic attitudes. They found twelve adjectives that described the two categories; hedonic and utilitarian attitudes. In this thesis we have chosen to use only four of these to describe the respondents view on the subject. This choice has been made partly because some of them referred to the same subject or area of utilitarian and hedonic attitudes. It has also been made on the grounds that that we intend to further our research by conducting a follow up survey with the respondents of the first survey, in order to get more data for our analysis and also to be able to explain our findings. The survey with the four different measures used to describe hedonic and utilitarian attitudes and the perceived quality are found as an enclosure in appendix 1 and 2.

1.2 When the first category, houses, was finished we conducted a replica of the test on our second product category, cars. First an advertisement of a car of unfamiliar brand was shown and at the upper right hand of the picture, the brand was presented with product specifications at the left bottom the advertisement. The respondents looked at the advertisement for 15 seconds and then were asked to fill out the same survey that they had done with previous product category.

1.3 This part of the survey was identical to parts 1.1 and 1.2 except that a new advertisement of the house was shown with the differences that an ingredient brand, the Swedish brand Marbodal kök (a kitchen manufacturer), had been added. The Marbodal kök logo appeared in the right bottom of the page and the respondents were asked to complete the same survey over again, evaluating the attitude and the quality of the ingredient branded product advertisement.

1.4 As a final step of this survey a second advertisement of the car was shown, this time with a logo of the ingredient brand, Good Year appearing at the bottom right and the respondents, again, filled in the same survey.

For this survey we decided to use a semantic differential rating scale. This scale measures the respondent's reactions to an object or a concept by asking them to indicate a rating on a bipolar scale, defined by contrasting adjectives at each end (Nachmias and Nachmias 1996). This is a seven item scale which was suitable to get a detailed picture of how the respondents evaluated their attitudes and perceptions of quality of the product.

We performed our survey on 100 respondents where 50 were students and 50 were non-students. We choose to do this selection to be able to see if there were any differences between the respondents that had little prior experience concerning the two product categories, and those who had more experience. This specific selection became relevant to analyse in order to see if there were any differences in their answers related to our consumer behaviour theory concerning high and low involvement.

2. When the survey was completed we asked the respondents if we could conduct a second survey with them based on a questionnaire (appendix 1 and 2). Theories on consumer behaviour highlights the fact that a consumers buying process is different when purchasing high cost, high involvement products compared to low cost, low involvement products. Hence, we wanted to see if theories on consumer behaviour could explain the findings in the first survey. In question three we used closed ended questions based on four levels for both houses and cars to see the respondents' basic knowledge about the products presented. This 1 - 4 ranking system is useful device since it provides a relative order among the objects (Nachmias and Nachmias 1996) and it would also help us to deeply analyse the data collected. In question four we once again used closed ended question to be able to investigate to what degree the risks connected to the possible purchase affected the respondents; once again we decided to use a seven point semantic deferential scale. By adding question five we wanted to see how the respondents felt about extra expertise when considering the possible purchase of each of the products. This question was once again closed ended with a simple yes or no answer. In questions number six and seven we used closed ended questions with two different response alternatives Question number eight is also a close ended question where we wanted

to observe how the knowledge about the ingredient brands affected the respondent's answers and how familiar they were with the brands.

We have decided to use closed ended questions since it easy to ask and quick to answer, it also creates a straightforward analysis. These questions are suitable when the researcher's objective is to lead the respondents to express agreement or disagreement with an explicit point of view (Nachmias and Nachmias 1996). Once the survey was explained, it was the respondent's job to fill in the questioner. If they had any questions regarding how to fill in the survey we were always close at hand to help them with any enquiries they might have. We also made sure that the respondents were aware of that questions 3-8 were follow up questions and had nothing to do with the products they had just recently evaluated in the two different advertisements.

Conducting a survey in this manner is referred to as a focused interview. It is characterised as; taking place where the respondents have been involved in a particular experience, it proceeds on the basis of an interview guide specifying topics related to the researcher's hypothesis and focuses on the subjects experience regarding the situation under study. By using the focused interview the researcher has the possibility to explain and clarify major aspects of the study to the respondent, even though the questions are highly structured (Nachmias and Nachmias 1996).

Data analysis

Since this thesis uses two different approaches to collect data we also had to use two different methods to analyse. In the first part, the survey with advertisements of non-ingredient and ingredient branded products, we conducted a bivalent analysis in order to see correlations and difference between the variables (Andersen 1998). The data was quantitative and was hence analysed in the program SPSS. By running a one-way ANOVA analysis we could conclude that there was no significant difference between the advertisement with and without the ingredient brands. We ran the analysis on a significance level of 0.05 and since we were not able to find any significant differences we decided to perform the test up to the significance level of 0.2. However, we were still not able to find any significant differences high enough to say that there could be any difference caused by the ingredient brands. The results are therefore still presented on a significance level of 0.05. The cronbachs alphas were strong

enough to be considered reliable, pending between 0.85 and 0.88 (Appendix 6). By running a correlation test of the variables in SPSS we were once again able to conclude that the variables investigated were too closely related to each other to see any differences (Appendix 5).

According to Miller et al. (2002), deeper comparison between factors is unnecessary when the one-way ANOVA analysis does not show any significant differences. We therefore moved on to work with the follow up questions.

In the follow up questions we used SPSS to run cross tabulations in order to see how our different variables were connected to each other. The method used was a multivalent analysis in order to seek out causes to our results (Andersen 1998). The results is presented in figures created in excel in order to more precise present our data. On the questions regarding different risks connected to the purchase of houses and cars we run a reliability test in SPSS. The tests resulted in a cronbachs alpha on 0.680 and 0.694 which are to be considered reliable.

Validity

In order to create validity the researcher has to make sure that the empirical findings are in correlation to the theoretical topics chosen. A common definition is that the researcher measures what he or she intends to measure (Rosengren 2002). Since our product category is high involvement and high cost products, and we use the examples houses and cars in this thesis, the first idea was to visit different house fairs and car retailers to collect our empirical data. However we found that there were difficulties with this approach that would bring us out of focus for this thesis, the ingredient brand. A car retailer normally only supply one or a few brands of cars and the consumers that visit the retailer is there because they are interested in these particular brands. Hence if we presented consumers of the retailer with advertisements of a car of the brand SsangYong, they could be biased and have a negative attitude towards this brand, the same line of argument goes for the house. Therefore we decided to conduct this survey among people who were less likely to have any preconceived opinions about the products and instead put them in the situation that they were about to buy the products. In order to increase the research validity, we conducted the survey both at the University of Växjö and at a shopping centre at the outskirts of Växjö that people travel to by car, and where there is also a store that sells house and building supplies. Since people need to travel

to the shopping centre by car, we could ensure that they were familiar with this product and hence had more experience concerning both of the involved product categories (house and car). This way, we would not lose focus on our main area of research, the effect of the ingredient brand. The prior discussion concerning respondents and where the survey was conducted are very similar to the prior research conducted by Voss & Gammoh (2004) and Vaidyanathan and Aggarwal (2000). Voss and Gammoh (2004) used only students as respondents while Vaidyanathan and Aggarwal (2000) used both students and people at a shopping centre. We therefore used their research design to a certain extent in order to see similarities or differences concerning our results. However we also noticed their shortcomings, which will have the effect that we are not able to make a broader generalisation concerning our survey. Our conducted survey is nevertheless acceptable for preliminary theory testing. In order to be able to make any broader generalisations we, just as Voss and Gammoh (2004) and Vaidyanathan and Aggarwal (2000), need to use a truly random sample. Another shortcoming noticed in Vaidyanathan and Aggarwal (2000) is that they used raisins as an ingredient brand in a cereal that was the host brand. Since some respondents may not prefer this product, they might be affected negatively by this ingredient, hence not be suitable for this investigation. We therefore chose to use tires for the car and a kitchen for the house as ingredients, since this equipment is a necessity in these products.

For the first part of the research design we have made sure to establish validity by using a previously tested research design, created by Voss and Gammoh (2004). Therefore we trust that the variables, attitudes and perceptions of quality are suitable in order to measure the effects of ingredient branding. Nachmias and Nachmias (1996) claims that validity is created by making sure that the questions used, have a clear connection to what the researcher intends to investigate. Therefore we have made sure that each question, connected to our second part of the research design, is deeply rooted in the theoretical topics chosen.

Reliability

Reliability is related to the degree of trustworthiness. If a researcher measures the same things, using the same instrument, at different points in time and find different results, this indicates a lack of reliability (Nachmias and Nachmias 1996). To avoid this we conducted five pre-tests among students to establish if the layout of the survey would present us with any problems or in any way confuse the respondents. After these tests, a few changes were made, the changes

resulted in clearer questions and we thereby made it easier for the respondents to answer. One of these changes were that we added one additional question concerning if the respondents recognised the two brands Marbodal and Goodyear that were used in the advertisements, this way we had a greater chance of getting more reliable answers. In order to establish whether these brands were well-known we once again followed Voss and Gammohs (2004) method and performed a second pre-test. The second pre-test was conducted among 20 students who were asked to fill in the questionnaire with the added question concerning whether they recognised Marbodal and Goodyear. By performing the second pre-test we could conclude that 85 % of the respondents recognised both Marbodal and Goodyear. By examining the remaining 15 % we found that none of them recognised Marbodal but all of them recognised Goodyear. The second pre-test indicated that the brands Marbodal and Goodyear were well-known and suitable ingredients for our advertisements within the questionnaire.

By making the survey easier the answers will become more correct, with correct answers we could more precisely measure what we intended to. The tool used for measuring has also been used by previous researchers, which made us feel comfortable in getting reliable answers. However, due to time limitations we needed to cut down on the number of adjectives used for measuring hedonic and utilitarian attitudes. The previous study performed by Voss and Gammoh (2003) used 12 adjectives to measure hedonic and utilitarian attitudes. We use four of these since many of them were synonymous of one another. For example Voss and Gammoh (2003) used the adjectives not fun/fun, not happy/happy and not funny/funny to describe the hedonic attitude of the respondent. These three adjectives are to us synonymous hence the sole use of not fun/fun. By conducting pre-studies we also made sure that we always used the same approach to each and every respondent, so that different respondents would not understand the survey differently.

Data collection

In the following chapter we will present the empirical findings from our data collection. Statistical data will be provided, making it easier for the reader to get an overview of the information that has been collected and processed.

The effects of ingredient branding

An ANOVA test showed that there were no significant differences between the advertisements with and without an ingredient brand. In the ANOVA test we added together both advertisements that were without ingredient brand and ran them towards both advertisements with an ingredient brand. The test did not flag for any significant differences and the test is presented in table 4.1 below.

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
Usefull	Between Groups	0,303	1	0,303	0,164	0,685
	Within Groups	732,675	398,000	1,841		
	Total	732,978	399,000			
Functional	Between Groups	0,090	1	0,090	0,058	0,810
	Within Groups	619,820	398,000	1,557		
	Total	619,910	399,000			
Practical	Between Groups	0,062	1	0,062	0,031	0,861
	Within Groups	812,635	398,000	2,042		
	Total	812,698	399,000			
Riskfree	Between Groups	2,250	1	2,250	1,016	0,314
	Within Groups	881,790	398,000	2,216		
	Total	884,040	399,000			
Fun	Between Groups	2,402	1	2,402	1,100	0,295
	Within Groups	868,995	398,000	2,183		
	Total	871,398	399,000			
Thrilling	Between Groups	1,440	1	1,440	0,568	0,452
	Within Groups	1009,200	398,000	2,536		
	Total	1010,640	399,000			
Happy	Between Groups	0,360	1	0,360	0,186	0,666
	Within Groups	769,950	398,000	1,935		
	Total	770,310	399,000			
Positiveappeal	Between Groups	0,722	1	0,722	0,318	0,573
	Within Groups	904,775	398,000	2,273		
	Total	905,498	399,000			
HighQuality	Between Groups	0,490	1	0,490	0,275	0,600
	Within Groups	709,070	398,000	1,782		
	Total	709,560	399,000			

Table 4.1

Had there been a significant difference between the groups and the variables investigated, the significance levels should have been close to 0.05. Since the significance is varying between

0.295 and 0.861, which gave us low F values, there are no differences between ingredient and non-ingredient branded advertisements. The Cronbach alfa for each and every advertisement and the answers from the respondents, related to them were between 0.85 and 0.88 which shows a high internal reliability. However, since there are no significant differences in the answers it is of no interest for us to further investigate differences in respondent groups.

Since we have chosen to describe the effects of ingredient branding using three different aspects which are utilitarian and hedonic attitude and perceived quality, these aspects will be presented in figure 4.1 below and discussed in the subsequent text.

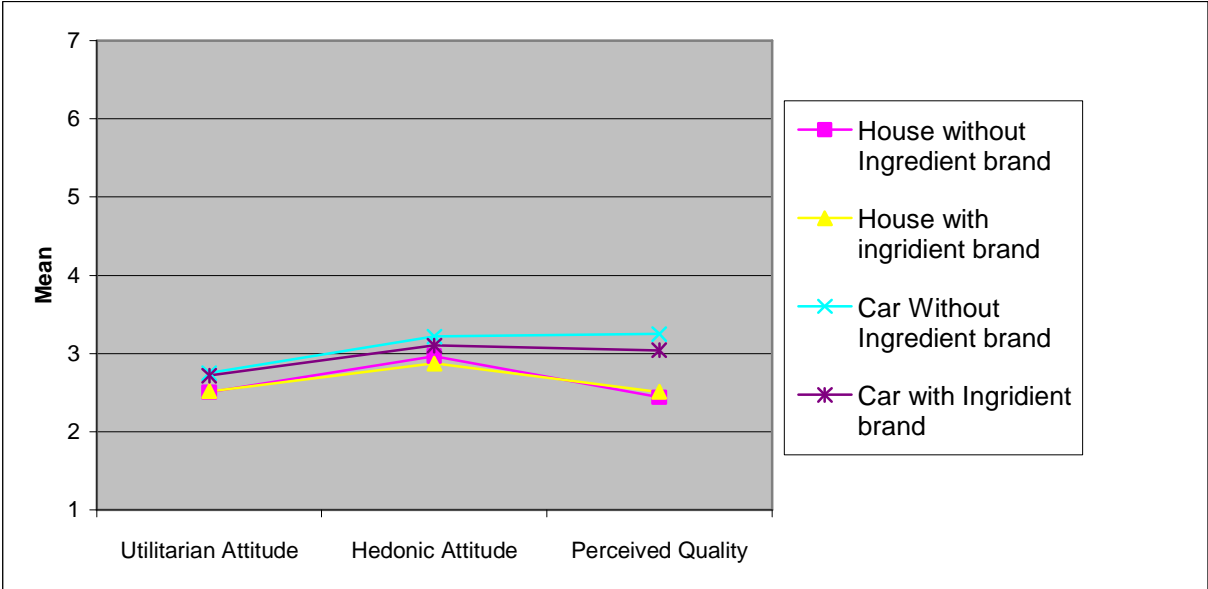


Figure 4.1

Utilitarian attitudes refer to the questions regarding usefulness, functionality, practicality and risk and have been bundled together to describe utilitarian attitude. Hedonic attitudes refer to the questions about how fun, thrilling, happy and positive appeal and these have been bundled to describe hedonic attitude. Lastly, perceived quality is a single factor. Figure 4.1 above presents an overview of how the respondents have answered. 1 being the highest, we can see that the respondents had a better attitude and perception of quality towards the house than the car. However, again we can see how similar the answers are and that there are no differences when an ingredient is added and when it is not. Figure 4.1 is based on the findings presented in table 4.2 below. HWO refers to all replies related to the picture of a house without an ingredient brand. HW refers to all replies related to the picture of a house with an ingredient

brand. CWO refers to all replies related to the picture of the car without an ingredient brand. CW refers to all replies related to the picture of a car with an ingredient brand.

Descriptive Statistics	House Advertisements		
	Mean	Std. Deviation	N
HWOUsefull	1,94	1,50	100
HWOFunctional	2,22	1,32	100
HWOPractical	2,46	1,37	100
HWORiskfree	3,41	1,46	100
HWOFun	3,29	1,69	100
HWOThrilling	3,52	1,79	100
HWOHappy	2,54	1,39	100
HWOPositiveappeal	2,52	1,62	100
HWOHighQuality	2,44	1,30	100
HWUsefull	1,95	1,27	100
HWFunctional	2,15	1,12	100
HWPractical	2,57	1,36	100
HWRiskfree	3,4	1,43	100
HWFun	3,07	1,44	100
HWThrilling	3,32	1,67	100
HWHappy	2,63	1,41	100
HWPositiveappeal	2,47	1,54	100
HWHighQuality	2,51	1,27	100

Descriptive Statistics	Car Advertisements		
	Mean	Std. Deviation	N
CWOUsefull	2,02	1,44	100
CWOFunctional	2,28	1,30	100
CWOPractical	2,82	1,53	100
CWORiskfree	3,88	1,56	100
CWOFun	3,26	1,44	100
CWOThrilling	3,16	1,50	100
CWOHappy	3,39	1,35	100
CWOPositiveappeal	3,06	1,43	100
CWOHighquality	3,25	1,27	100
CWUseful	2,12	1,21	100
CWFunctional	2,41	1,24	100
CWPractical	2,76	1,44	100
CWRiskfree	3,59	1,48	100
CWFun	3,17	1,33	100
CWThrilling	3,12	1,37	100
CWHappy	3,18	1,23	100
CWPositiveappeal	2,94	1,36	100
CWHighquality	3,04	1,33	100

Table 4.2

When comparing HWO to HW and CWO to CW, it becomes obvious that there are no significant differences in the respondents' attitudes and perception of quality towards the product if it includes an ingredient brand or not. The mean for all attributes describing HWO is 2,70 and the mean for all attributes describing HW is 2,67. This implies that respondents regard the product that has an ingredient added as somewhat higher but the difference is not high enough to be considered significant. The same argument can be used when the product is the car. The mean for all attributes describing CWO is 3,01 and the mean for all attributes describing CW is 2,93. An alteration of figure 4.1 is presented below in figure 4.2. The minimum and maximum mean has been changed to make it easier to see exactly how similar the answers are and that there are minimal differences when an ingredient brand is added and when it is not.

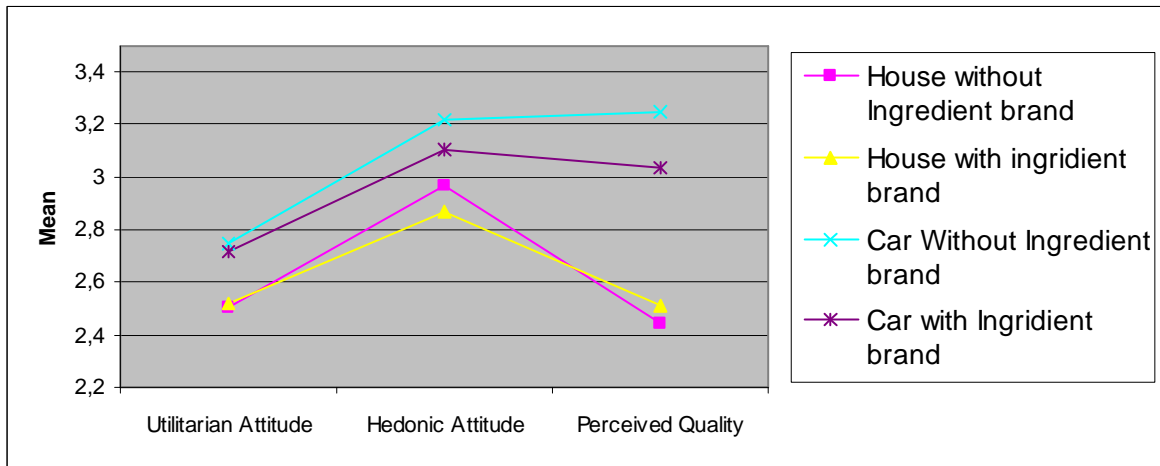


Figure 4.2

Figure 4.2 shows that the greatest difference can be seen in perceptions of quality between CWO and CW. A second ANOVA test on the variables perceptions of quality between CWO and CW showed that the significance level was between 0.65 and 0.69 and hence this is an insignificant difference (Appendix 7).

The data presented above all refers to our first pictorial survey (appendixes 1, 2 and 3) In the next chapters of the data collection we will make a presentation of how the respondents perceived different kinds of risks derived from purchasing a house and a car and also their level of involvement (follow up questions in appendixes 1 and 2).

Perceptions of risk

We asked the respondents to make a risk assortment to get a view of what kind of risks and to what degree they had an effect, when they were about to purchase either a house or a car. As seen from figure 4.3 the respondents, in general, perceived a somewhat higher risk from buying a house compared to buying a car.

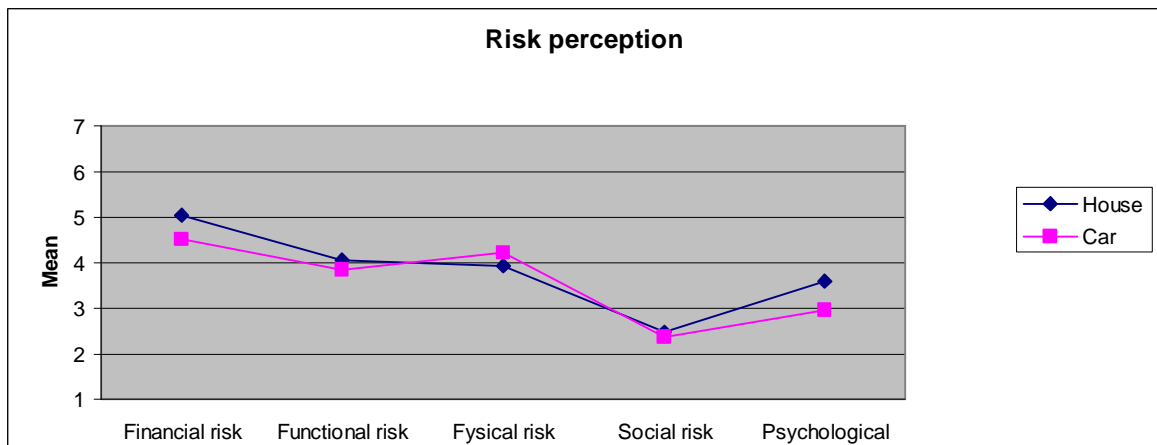


Figure 4.3

The five different measures of risk do not differ significantly from buying a house or a car. The financial risk is being perceived as the highest in both the case of buying a house or a car and has a mean for houses of 5.05 and cars of 4.51. This combined with the psychological risk is also where we see the biggest differences in risk perception between buying a house and a car. Functional, physical and social risks are all very similar when it comes to purchasing houses and cars. In all cases except one, the physical risk, the respondents perceive a higher risk derived from buying a house than a car. Since the prior ANOVA test on attitudes and perceptions of quality showed a non-significant difference in respondents' replies, there is no need to investigate if there are any correlations between these variables and the risk perceptions. The risk perceptions of cars had a Cronbach's alpha of 0.680 and risk perceptions of houses had a Cronbach's alpha of 0.694.

Involvement

In both the case of buying a house and a car, the respondents at large agreed that the salesperson was of great importance. Figure 4.4 below shows that 90 % of the respondents would ask for or require the expertise of a salesperson before conducting a purchase of a house, confirming the importance of a second expert opinion.

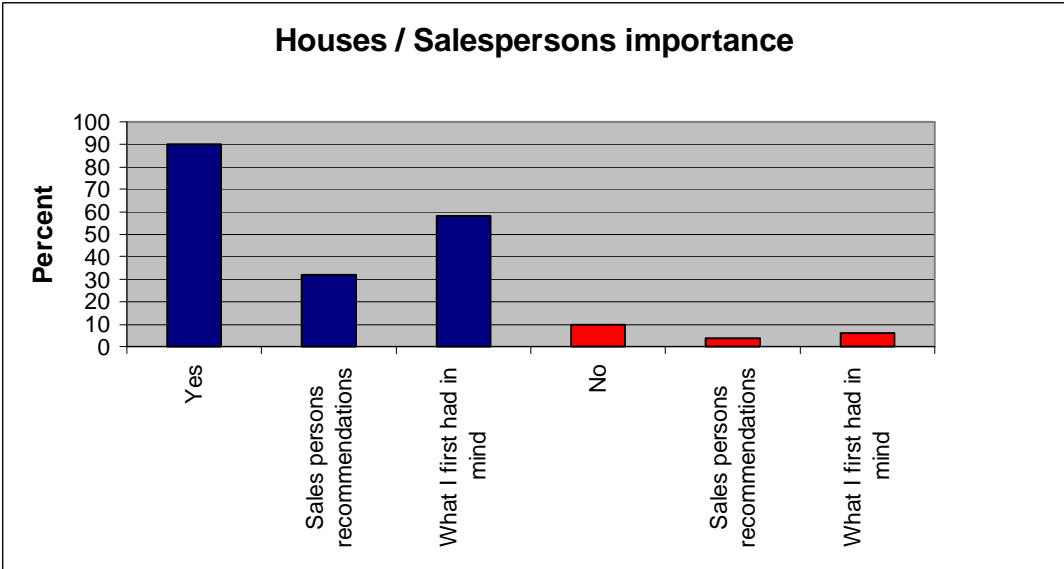


Figure 4.4

Those who answered yes and their answers related to the question are depicted in blue. Those who answered no are depicted in red.

In the survey we followed this question up by asking the respondents if the salesperson could change their mind. The question was formulated as follows:

Imagine that you are going to buy a house, where both the kitchen and the kitchen appliances are familiar to you. However these products are sold as additional equipment at a higher price. But still you feel that the additional equipment is worth the extra money. The salesperson claim that the kitchen and the kitchen appliances already equipped is just a good and equal in quality, and that you save some money by choosing that alternative. What do you choose?

- 1. The first alternative I had in mind
- 2. The salesperson's recommendation

As seen from table 4.4 64 % still decide to go for the alternative they first had in mind whereas 36 % trust the salespersons recommendation and go for the least, costly alternative.

The same questions were used to describe the importance of a salesperson when purchasing a car. Figure 4.5 below show that 89 % of the respondents would ask for, or require the expertise of a salesperson before conducting a purchase of a car, confirming the importance of a second expert opinion, even in car purchases.

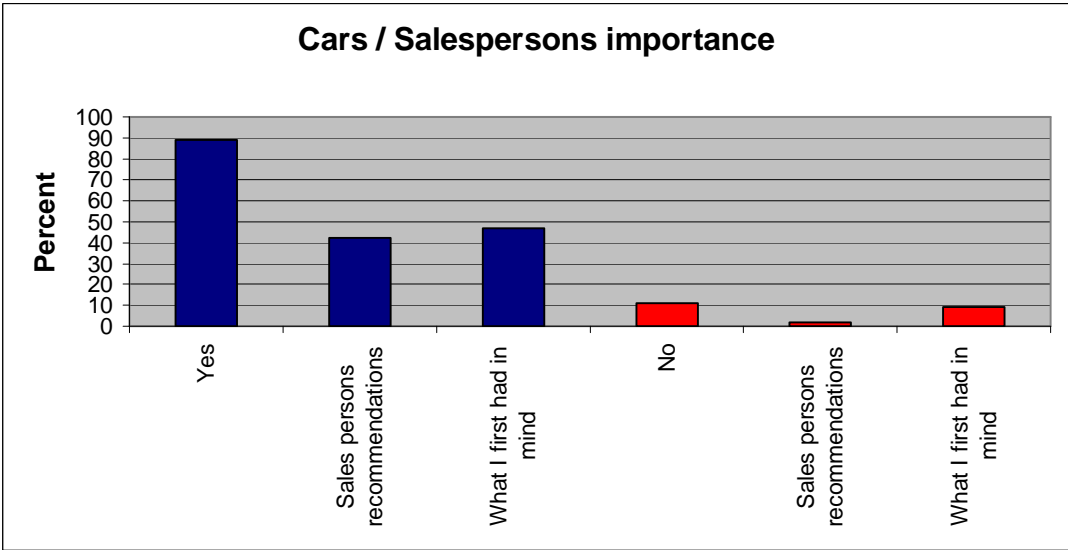


Figure 4.5

Even in this case we had a follow up question where we asked if the salesperson could change their minds. This question had a similar layout and was formulated as follows.

Imagine that you are going to buy a car, where both the tires and the audio system are familiar to you. However these products are sold as additional equipment at a higher price. But still you feel that the additional equipment is worth the extra money. The salesperson claim that the tires and the audio

system already equipped is just a good and equal in quality, and that you save some money by choosing that alternative. What do you choose?

1. The first alternative I had in mind

2. The salesperson's recommendation

As seen from table 4.5 above 56 % of the respondents would still go for the alternative they first had in mind. However, this shows that even if the salesperson was slightly less, or equally, important in the case of purchasing a car, compared to purchasing a house, more people will decide for the alternative they first had in mind, in this case.

We also designed a question to investigate what kind of enduring involvement the respondents had about the two product categories, houses and cars.

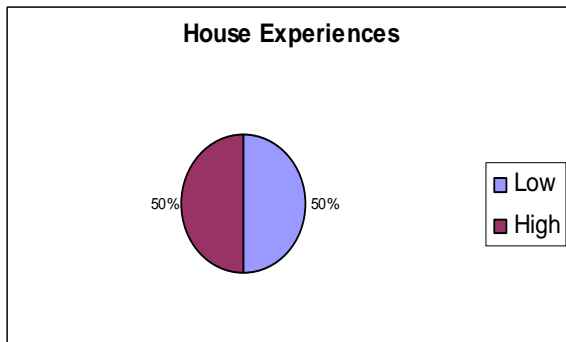


Figure 4.6

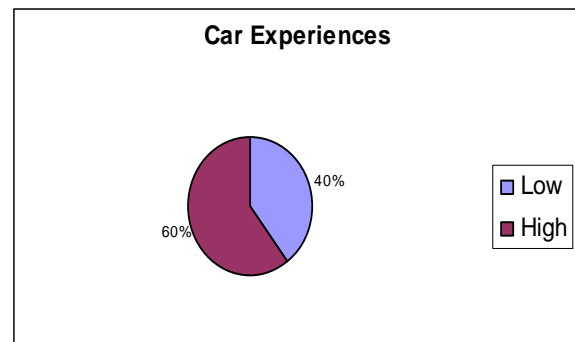


Figure 4.7

The question was originally divided up in to four different involvement levels (very low, low, high, very high) but has been altered in the figures above to make them easier to asses. Figures 4.6 and 4.7 present the two product categories when all, 100, respondents are included. They tell us that the experiences of both products are relatively evenly dived between low and high experience. However, if we make a comparison between the two respondent groups, students and non-students, we can se that the experiences differ. As can be seen in appendix 4 there are differences in experience between our respondent groups. However, this has not affected our main survey about attitudes and perceptions in ingredient branding and the risks connected to these product categories, since chronbachs alpha has been very high (Appendix 6). Appendix 4 also presents evidence that enduring involvement (experience about the product) does not affect the importance of a second opinion in the form of a sales person. No matter if the respondents have high (which is the case among non-students) or low enduring involvement (which is the case among students), they would still require the expertise of a salesperson.

The last question was designed to conclude that we had chosen two ingredient brands that people were familiar with. The results are presented in tables 4.8 and 4.9 below.

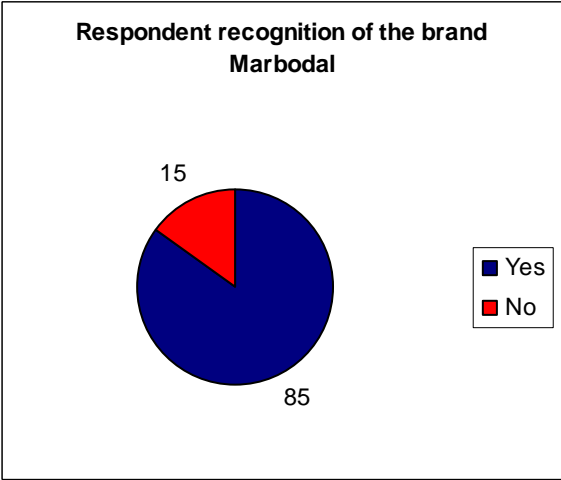


Figure 4.8

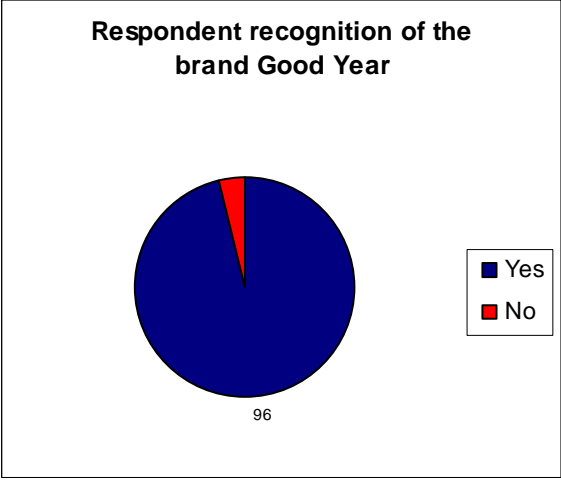


Figure 4.9

Since the brand recognition was so high we have decided not to make a comparison among the respondent groups, in order to conclude if non-students were more aware of the brands than student, or vice versa.

Analysis

In this chapter we will analyse our empirical findings by making a comparison to the theoretical topics chosen. This section has the same layout as the previous chapters and will therefore be analysed topic by topic.

Ingredient Branding

As Vaidyanathan & Aggarwal (2000) argues, an additional brand, in this case an ingredient brand should increase the value perceptions for the host brand. Our survey indicates that ingredient branding does not modify the host brand to the better in the product class, high involvement and high cost products. The consumers' attitudes and perceptions of quality did not change significantly when we presented them to advertisements of products that were without an ingredient brands and advertisements that included ingredient branding. As can be seen in the ANOVA test there is no significant change in perceptions and attitudes when comparing our advertisements with and without the ingredient brands. Vaidyanathan & Aggarwal (2000) claim that the result of ingredient branding is dependent on the importance of the ingredient brand and the consumers associations to it. Our ingredient brands consisted of logos from a well known kitchen manufacturer and a well known tyre manufacturer. Kitchens and tyres are important parts of the products, houses and cars and should hence, according to Desai and Keller (2002), be suitable ingredients for the survey.

The additional ingredient brand in the advertisements should have indicated for the respondents that the value of the product had increased (Desai & Keller 2002). But it was only in the car advertisement, that we found a small change when the perception of quality increased marginally when adding the Goodyear brand. Important is to notice that the change can not be used as evidence that the perceived quality increased, since the significance level is too small (table 4.1). However, as Moore (2003) states, we can not be certain that the consumer understood the value that the ingredient brand was supposed to contribute to the products, and if they did not, the ingredient brand will not have been tangible to the respondent. Further, the benefits of ingredient branding might not be tangible when the ingredient is something that the consumer expects anyway, which are normally the cases of kitchens and tyres, in houses and cars (Moore 2003). Since we have used kitchen and tires in houses and cars the consumers might feel that there are other more crucial variables to consider when buying a house or a car. Our investigation shows that the correlation between

every variable of attitudes and perceptions of quality has a strongly related significance value that we can not say that the ingredient brand have increased the value for the host brand (Appendix 5).

Vaidyanathan & Aggarwal (2000) found, in a similar study as the one we conducted, evidence that, in low involvement and low cost product categories, an additional well known brand should increase the value in quality perceptions and attitudes for the host brand. Even though we have evidence (figure 4.6 and 4.7) that both ingredient brands in our study are well known, the results shows us that the conclusion made by Vaidyanathan & Aggarwal (2000) can not be applicable in high involvement and high cost product categories.

To measure the effects of ingredient branding in high cost and high involvement products we have used the research design, created by Voss and Gammoh (2004). Hence we used the three variables, hedonic and utilitarian attitudes and also perceptions of quality and then had the respondents relate these to products, with and without ingredient brands in an advertisement. The findings show us that there are differences (see table 4.2 and figure 4.1), but that they are too small to be considered significant.

Decision Making Process

Regarding theory about consumer behaviour and the decision making process, Solomon et al (2002) claim that consumers' put a lot of effort into the process of evaluating alternatives in high involvement purchases. This theory claims that consumers' will scrutinise many variables when purchasing a house or a car. Hence, this implies that ingredient branding will be less effective during these purchases since there are so many variables that are considered. This has also been proved in our research, by looking upon table 4.2, it shows that the ingredient brand had no effect on the consumers' attitudes and perception of quality about the product.

Involvement

According to Solomon et al (2002) the consumer tends to put a lot of efforts in the stage where they have already made up their minds about conducting a purchase, and are evaluating different alternatives. Therefore we decided to put the respondents in a similar situation so that they would have to evaluate different risks related to the purchase and also, to raise their level of situational involvement. Depending on how involved the consumer is, his or her

cognitive and behavioural responses might be different (Coulter et al 2003). Our survey included a question about enduring involvement. However, the survey did not show that consumers enduring product involvement had an effect on ingredient branding. This suggests that enduring involvement does not change consumers attitudes and perceptions of quality towards high involvement, high cost products. Nor could we find a correlation between enduring involvement and the importance of the sales person. According to Solomon et al (2002) this, however, is to be expected in the case in high risk and high involvement purchases. It is however interesting to note that the respondents who answered that the salesperson was important in a car purchase, 47 % of these would also follow his or her recommendations. On the other hand, among the respondents who did not find the salesperson important only 11,8 % would follow his or her recommendations. The same clear correlation can not be found when the product is a house. Among the respondents who found that the salesperson was important, 35,6 % would also follow his or her recommendations. Among the respondents who did not find the salesperson important, 40 % would follow his or her recommendations.

According MacInnis and Joworski (1989) information processing procedures are different depending on the product type. Our survey shows that the respondents have paid more attention to the utilitarian attributes of the products as they have a mean of 2.56 compared to the hedonic attitudes, which have a mean of 3.04 (inverted scale) (figure 4.1). According to MacInnis and Joworski (1989) this would indicate that consumers view the purchase of a house and a car from a utilitarian perspective, simply to solve a problem. The fact that hedonic attitudes are not viewed as equally high, would imply that feelings and symbolic values are not equally important in this product category. Figure 4.1 and 4.2 shows that utilitarian attitude scored high on our inverted semantic differential scale. However it becomes interesting to compare these findings to our findings concerning the salesperson and if his/her expertise is important. Even though figure 4.1 and 4.2 indicated that the utilitarian attitude is important table 4.4 and 4.5 shows that consumers' still chose to go for what they first had in mind. This becomes somewhat of a contradiction since the salesperson might have more expertise considering the house or the car he/she is selling. However since Park and Moon (2003) claim that it is the consumer who decides whether a product is of a utilitarian or hedonic value, we can confirm that a house and a car posses both utilitarian and hedonic values.

Within the consumer involvement profile (CIP) (Kapferer and Laurent 1985b; 1993), our survey has shown no indications that interest plays an important role for how well ingredient branding works within this products category. Pleasure, which is the hedonic aspect of CIP, was less important than utilitarian aspects and hence consumers' see the purchase of a house and a car as practical and problem solving investments.

Perceived Risk

Products that have a high utilitarian value, that are designed to solve a problem, would affect consumers to behave in a cautious way (Babin, Darden & Griffin 1994; Engle, Blackwell & Miniard 1993 as in Park and Moon 2003). In order to define our product categories as high involvement, we used (Coulter et al 2003) theory about personal relevance. The theory discussion concerning personal relevance can be linked to our question regarding social risk. By looking upon fig 4.3 the social risk received a very low mean on our seven point bipolar scale for both the house and the car. This indicates that the consumers' look upon these product categories as high involvement purchases, and that they do not consider the social risk as high.

Risk importance and risk probability has been empirically tested by using Solomon et al (2002) five dimensions of risk. Mitchell (1999) claims that when the purchase involves durable experience goods, that are normally expensive, the financial risk will be considered highest. As Figure 4.4 shows, this is supported by our survey in both the case of buying a house and a car. Figure 4.4 shows that the respondents have rated the risks related to the purchases relatively low. Social risk for both houses and cars for example has a mean of 2.42 and can be related to the sign value in Kapferer and Laurent's (1985b; 1993) CIP model. This implies that factors, such as the surroundings opinions and self expression are of little importance within purchases in this product class. Roselius (1971), as in Mitchell (1999) claims that the consumer will always be inclined to decrease risk when this is high. In the case of buying a house or car the consumers' main interest would hence be to minimize the financial risk. As figures 4.4 and 4.5 shows one way of reducing this risk is by contacting the salesperson. According to Solomon et al (2002) this is a common way of reducing risk since information becomes more important as the risk of the purchase becomes higher.

We also found that there are a difference in risk perception between houses and cars. This however is consistent to Mitchell's (1999) theory about durable goods, since there are a large

difference in price between houses and cars. The remaining four risks, included in the study, show that consumers do not consider that these risks are especially crucial when buying a house or a car, neither do they differ particularly as can be seen in table 4.3. This overall low risk perception can be explained by the degree of involvement that is considered to be of great importance in high cost product categories (Solomon et al 2002). As Mehrez (1985) argues, information becomes more and more important when the price of the intended purchase increases. Therefore, the consumer will seek out as much information as possible in order to decrease the amount of uncertainty and risk, connected to the purchase (Solomon et al 2002 and Mitchell 1999). Further, Mitchell (1999) argues that the seller in the form of expertise should be important in order to sell high cost product. He claims that trust between seller and buyer is one of the most important aspects in this product category. As can be seen in table 4.4 and 4.5 the seller is of great importance for the consumer when considering a purchase. However when we investigated whether or not the seller could affect the consumer when conducting the purchase we realized that this differs between houses and cars. When purchasing a house the results show that the respondents, in the end phase of the purchase, do not value the seller's expertise in the same degree as when buying a car. Mitchell (1999) and Solomon et al (2002) highlight the importance of trust between seller and buyer as well as the consumers' intentions to reduce the risks before making the purchase. Solomon et al (2002) mentions that the level of involvement is dependent of the financial risk connected to the purchase. Since houses are more expensive this can be a reason to why people treasure their own opinion higher than the seller's expertise.

Conclusion

Previous studies on ingredient branding, within low cost and low involvement products have supported, that the effects of ingredient branding are positive, in the minds of the consumer. Based on the data presented in the analysis we conclude that ingredient branding has very limited effect on consumers attitudes and perceptions of quality towards products, classified as high involvement and high cost. We have also tried to explain why we declare that ingredient branding has less positive effects on consumers' attitudes and perception of quality in this product category. Consumers who, for example, purchase a Diet-Coke buy a Coca-Cola with the ingredient NutraSweet. However, consumers who purchase a house do not only buy a house with the ingredient Marbodal K k. They also buy a house with floors, windows, garden, different colours and many more products supporting the purchase. Hence in high cost, high involvement products, there are several more attributes that need to be taken into consideration and therefore, the ingredient will only receive limited attention. Hence we conclude that ingredient branding has no significant effect and that previous studies on ingredient branding are not applicable, within this product category. As the consumer gets highly involved in the purchase they will evaluate many different aspects to make sure the product fits their utilitarian and hedonic needs, and therefore the effects of the ingredient brand becomes diluted.

Limitations

There are several limitations to be noticed in this thesis. The way our survey was conducted could have been done in a number of different ways. We could have let the logo of the ingredient brand take up more space in the advertisements and also added a text next to the logos that proclaimed: “Now with a kitchen from Marbodal” or “Now with tyres from Goodyear”. This way the respondents could easier have detected the differences in the advertisements and hence, we might have had come up with a different conclusion. Further we have not tested the respondents’ perceptions of the ingredient brands. We only conclude that they are familiar with them and therefore, if a respondent has a negative attitude towards one of the chosen brands, this has likely affected his or her attitudes to the advertisements. The fact that we conclude that ingredient branding has no effects within our chosen product category might therefore be a result of the research design we used to conduct this thesis. Should it be conducted in a different manner, with for example different products, different research design, different respondents or maybe even by, in advance letting the respondents know what the difference was between the advertisements, the results might have been different.

Future Research

We would like to point out that our study used a fictitious brand and an unknown brand and that this might affected our results. A follow-up study would be appropriate, where the usage of well-known host brands were to be used in order to be able to notice any differences.

Since consumers' consider so many crucial variables when conducting a purchase within high involvement and high cost product categories, our study indicates that is it not enough to only use one ingredient brand. Perhaps a follow up study is appropriate here as well, to see if the usages of multiple ingredient brands have any effect on the host brand.

Our findings prove that previous successful ingredient branding theories, on low involvement and low cost product categories are not applicable within high involvement and high cost product categories. Since we are not able to make any broader generalisations regarding our findings because of our specific respondent groups, a further study of ingredient branding within high involvement and high cost products should use a truly random sample of respondents in order to guarantee and secure that the findings could be used to generalise the theory.

Since our study indicates that our chosen product categories, houses and cars, are judged from a utilitarian perspective. A follow-up study using ingredient brands that only promote the utilitarian function of the ingredient would be very interesting, in order to verify if the effect increases by doing so.

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Webpage's:

- www.eirepreneur.com, Eirepreneur
- www.intangiblebusiness.com, Intangible Business Limited

Appendix 1 (English version)

1

What is your perception of the product you just saw? (House):								
	Very	Fairly	Slightly	Neither	slightly	Fairly	Very	
Useful	1	2	3	4	5	6	7	Non-useful
Functional	1	2	3	4	5	6	7	Not functional
Practical	1	2	3	4	5	6	7	Impractical
Safe	1	2	3	4	5	6	7	Not safe
Fun	1	2	3	4	5	6	7	Not fun
Thrilling	1	2	3	4	5	6	7	Not thrilling
Happy	1	2	3	4	5	6	7	Not happy
Appeals to me Positively	1	2	3	4	5	6	7	Appeals to me Negatively
High quality	1	2	3	4	5	6	7	Low quality

What is your perception of the product you just saw? (Car):								
	Very	Fairly	Slightly	Neither	slightly	Fairly	Very	
Useful	1	2	3	4	5	6	7	Non-useful
Functional	1	2	3	4	5	6	7	Not functional
Practical	1	2	3	4	5	6	7	Impractical
Safe	1	2	3	4	5	6	7	Not safe
Fun	1	2	3	4	5	6	7	Not fun
Thrilling	1	2	3	4	5	6	7	Not thrilling
Happy	1	2	3	4	5	6	7	Not happy
Appeals to me Positively	1	2	3	4	5	6	7	Appeals to me Negatively
High quality	1	2	3	4	5	6	7	Low quality

What is your perception of the product you just saw? (House):								
	Very	Fairly	Slightly	Neither	slightly	Fairly	Very	
Useful	1	2	3	4	5	6	7	Non-useful
Functional	1	2	3	4	5	6	7	Not functional
Practical	1	2	3	4	5	6	7	Impractical
Safe	1	2	3	4	5	6	7	Not safe
Fun	1	2	3	4	5	6	7	Not fun
Thrilling	1	2	3	4	5	6	7	Not thrilling
Happy	1	2	3	4	5	6	7	Not happy
Appeals to me Positively	1	2	3	4	5	6	7	Appeals to me Negatively
High quality	1	2	3	4	5	6	7	Low quality

What is your perception of the product you just saw? (Car):								
	Very	Fairly	Slightly	Neither	slightly	Fairly	Very	
Useful	1	2	3	4	5	6	7	Non-useful
Functional	1	2	3	4	5	6	7	Not functional
Practical	1	2	3	4	5	6	7	Impractical
Safe	1	2	3	4	5	6	7	Not safe
Fun	1	2	3	4	5	6	7	Not fun
Thrilling	1	2	3	4	5	6	7	Not thrilling
Happy	1	2	3	4	5	6	7	Not happy
Appeals to me Positively	1	2	3	4	5	6	7	Appeals to me Negatively
High quality	1	2	3	4	5	6	7	Low quality

Follow-up questions

3. How would you describe your experience of A: House (real estate) and B: Cars

A:	Low	1	2	3	4	High
B:	Low	1	2	3	4	High

Imagine the situation that you are going to buy **A**: a house and **B**: a car. You consider different alternatives and try to find the product that suites you the best.

4. If you would buy these products, how would you describe that you perceive the following risks?

A: House **The purchase becomes too much of a strain on your economy (Financial risk)**

Low 1 2 3 4 5 6 7 High

That the product does not fit your needs (Functional risk)

Low 1 2 3 4 5 6 7 High

That the product is unsafe (Physical risk)

Low 1 2 3 4 5 6 7 High

Disapproval from persons in your surroundings (Social risk)

Low 1 2 3 4 5 6 7 High

That the product will cause you stress (Mental risk)

Low 1 2 3 4 5 6 7 High

B: Car **The purchase becomes too much of a strain on your economy (Financial risk)**

Low 1 2 3 4 5 6 7 High

That the product does not fit your needs (Functional risk)

Low 1 2 3 4 5 6 7 High

That the product is unsafe (Physical risk)

Low 1 2 3 4 5 6 7 High

Disapproval from persons in your surroundings (Social risk)

Low 1 2 3 4 5 6 7 High

That the product will cause you stress (Mental risk)

Low 1 2 3 4 5 6 7 High

5. Is the salesperson important for you when you are going to buy these products? (in the form of expertise, does he/she have knowledge that you do not possess)

House: YES NO

Car: YES NO

6. Imagine that you are going to buy a car, where both the tires and the audio system are familiar to you. However these products are sold as additional equipment at a higher price. But still you feel that the additional equipment is worth the extra money. The salesperson claim that the tires and the audio system already equipped is just a good and equal in quality, and that you save some money by choosing that alternative. What do you choose?

The first alternative I had in mind

The salesperson's recommendation

7. Imagine that you are going to buy a house, where both the kitchen and the kitchen appliances are familiar to you. However these products are sold as additional equipment at a higher price. But still you feel that the additional equipment is worth the extra money. The salesperson claim that the kitchen and the kitchen appliances already equipped is just a good and equal in quality, and that you save some money by choosing that alternative. What do you choose?

The first alternative I had in mind

The salesperson's recommendation

8. Do you recognise the following brands?



YES NO



YES NO

Appendix 2 (Swedish version)

1

Vad är din uppfattning av produkten du nyss såg (hus):								
	Mycket	Ganska	Något	Ingetdera	Något	Ganska	Mycket	
Användbart	1	2	3	4	5	6	7	Oanvändbart
Funktionellt	1	2	3	4	5	6	7	Ofunktionellt
Praktiskt	1	2	3	4	5	6	7	Opraktiskt
Riskfri	1	2	3	4	5	6	7	Riskfylld
Roligt	1	2	3	4	5	6	7	Tråkigt
Spännande	1	2	3	4	5	6	7	Inte spännande
Glatt	1	2	3	4	5	6	7	Ledsamt
Tilltalar mig Positivt	1	2	3	4	5	6	7	Tilltalar mig Negativt
Hög kvalitet	1	2	3	4	5	6	7	Låg kvalitet

Vad är din uppfattning av produkten du nyss såg (bil):								
	Mycket	Ganska	Något	Ingetdera	Något	Ganska	Mycket	
Användbar	1	2	3	4	5	6	7	Oanvändbar
Funktionell	1	2	3	4	5	6	7	Ofunktionell
Praktisk	1	2	3	4	5	6	7	Opraktisk
Riskfri	1	2	3	4	5	6	7	Riskfylld
Rolig	1	2	3	4	5	6	7	Tråkig
Spännande	1	2	3	4	5	6	7	Inte spännande
Glad	1	2	3	4	5	6	7	Ledsam
Tilltalar mig Positivt	1	2	3	4	5	6	7	Tilltalar mig Negativt
Hög kvalitet	1	2	3	4	5	6	7	Låg kvalitet

Vad är din uppfattning av produkten du nyss såg (hus):								
	Mycket	Ganska	Något	Ingetdera	Något	Ganska	Mycket	
Användbart	1	2	3	4	5	6	7	Oanvändbart
Funktionellt	1	2	3	4	5	6	7	Ofunktionell
Praktiskt	1	2	3	4	5	6	7	Opraktiskt
Riskfri	1	2	3	4	5	6	7	Riskfylld
Roligt	1	2	3	4	5	6	7	Tråkigt
Spännande	1	2	3	4	5	6	7	Inte spännande
Glatt	1	2	3	4	5	6	7	Ledsamt
Tilltalar mig Positivt	1	2	3	4	5	6	7	Tilltalar mig Negativt
Hög kvalitet	1	2	3	4	5	6	7	Låg kvalitet

Vad är din uppfattning av produkten du nyss såg (bil):								
	Mycket	Ganska	Något	Ingetdera	Något	Ganska	Mycket	
Användbar	1	2	3	4	5	6	7	Oanvändbar
Funktionell	1	2	3	4	5	6	7	Ofunktionell
Praktisk	1	2	3	4	5	6	7	Opraktisk
Riskfri	1	2	3	4	5	6	7	Riskfylld
Rolig	1	2	3	4	5	6	7	Tråkig
Spännande	1	2	3	4	5	6	7	Inte spännande
Glad	1	2	3	4	5	6	7	Ledsam
Tilltalar mig Positivt	1	2	3	4	5	6	7	Tilltalar mig Negativt
Hög kvalitet	1	2	3	4	5	6	7	Låg kvalitet

Uppföljningsfrågor

3. Hur skulle du beskriva din erfarenhet av A hus(fastigheter) och B bilar

A:	Låg	1	2	3	4	Hög
B:	Låg	1	2	3	4	Hög

Tänk dig in i situationen att du ska köpa **A** ett hus och **B** en bil. Du överväger olika alternativ och försöker hitta den produkt som passar dig bäst.

4. Om du skulle köpa dessa produkter, hur skulle du beskriva att du upplever följande risker?

A: Hus **Att köpet blir en för stor ansträngning för din ekonomi (Finansiella risken)**

Låg 1 2 3 4 5 6 7 Hög

Att det visar sig att produkten inte passar dina behov (Funktionella risken)

Låg 1 2 3 4 5 6 7 Hög

Att produkten är osäker (Fysisk risk)

Låg 1 2 3 4 5 6 7 Hög

Ogillande från personer i din omgivning (Social risk)

Låg 1 2 3 4 5 6 7 Hög

Produkten kommer att orsaka dig stress (Psykologisk risk)

Låg 1 2 3 4 5 6 7 Hög

B: Bil **Att köpet blir en för stor ansträngning för din ekonomi (Finansiella risken)**

Låg 1 2 3 4 5 6 7 Hög

Att det visar sig att produkten inte passar dina behov (Funktionella risken)

Låg 1 2 3 4 5 6 7 Hög

Att produkten är osäker (Fysisk risk)

Låg 1 2 3 4 5 6 7 Hög

Ogillande från personer i din omgivning (Social risk)

Låg 1 2 3 4 5 6 7 Hög

Produkten kommer att orsaka dig stress (Psykologisk risk)

Låg 1 2 3 4 5 6 7 Hög

5. Är försäljaren viktig för dig när du ska köpa produkterna? (i form av expertis, har han/hon kunskap du inte själv besitter)

Hus: JA

NEJ

Bil: JA

NEJ

6. Tänk dig att du ska köpa en bil där däck av ett märke du känner igen och stereo av ett märke du känner igen finns som tillägsprodukter. Dessa tillägsprodukter kostar något mer men du känner att det är värt det. Försäljaren säger dock att de däck och den stereo som ingick från början är lika bra och dessutom sparar du lite pengar genom detta alternativ. Vad väljer du?

Det jag först hade tänkt mig

Försäljarens rekommendation

7. Tänk dig att du ska köpa ett hus där kök och köksutrustning av ett märke du känner igen finns som tillägsprodukter. Dessa tillägsprodukter kostar något mer men du känner att det är värt det. Försäljaren säger dock att det kök och den köksutrustning som ingick från början är lika bra och dessutom sparar du lite pengar genom detta alternativ. Vad väljer du?

Det jag först hade tänkt mig

Försäljarens rekommendation

8. Känner du igen följande varumärken:



JA

NEJ



JA

NEJ

Appendix 3






SSANGYONG

Xdi270 Diesel Engine
Typ: 5 cylindars rak motor med direkt insprutning
Cylindervolym: 2,696 cc
Effekt (KW/hk): 121/165 v 4,000 varv
Vridningsmoment (Nm): 340Nm v 1,800-3,200 varv




SSANGYONG

Xdi270 Diesel Engine
Typ: 5 cylindars rak motor med direkt insprutning
Cylindervolym: 2,696 cc
Effekt (KW/hk): 121/165 v 4,000 varv
Vridningsmoment (Nm): 340Nm v 1,800-3,200 varv



Appendix 4

House Experience * Respondent Cross tabulation

		Respondent		Total
		Student	Non-students	
House Experience	Lowest	14	4	18
	Pretty Low	24	8	32
	Pretty High	10	20	30
	Highest	2	18	20
Total		50	50	100

Car Experience * Respondent Cross tabulation

		Respondent		Total
		Student	Non-students	
Car Experience	Lowest	10	4	14
	Pretty Low	18	8	26
	Pretty High	18	23	41
	Highest	4	15	19
Total		50	50	100

Expert Importance House * Respondent Cross tabulation

		Respondent		Total
		Student	Non-students	
Expert Importance	Yes	47	43	90
House	No	3	7	10
Total		50	50	100

Expert Importance Car * Respondent Cross tabulation

		Respondent		Total
		Student	Non-students	
Expert Importance	Yes	44	45	89
Car	No	6	5	11
Total		50	50	100

Appendix 5
Correlations for Car

Correlations	CWOUsefull	CWOFunctional	CWOPractical	CWORiskfree
CWOUsefull	1	,698(**)	,610(**)	,480(**)
CWOFunctional	,698(**)	1	,639(**)	,462(**)
CWOPractical	,610(**)	,639(**)	1	,305(**)
CWORiskfree	,480(**)	,462(**)	,305(**)	1
CWOFun	,300(**)	,264(**)	,288(**)	0,19
CWOThrilling	,284(**)	,236(*)	,237(*)	,220(*)
CWOHappy	,309(**)	,238(*)	,246(*)	0,176
CWOPositiveappeal	,532(**)	,417(**)	,408(**)	,248(*)
CWOHighquality	,384(**)	,379(**)	,293(**)	,509(**)
CWUseful	,709(**)	,591(**)	,477(**)	,303(**)
CWFunctional	,591(**)	,695(**)	,525(**)	,376(**)
CWPractical	,664(**)	,601(**)	,749(**)	,271(**)
CWRiskfree	,418(**)	,425(**)	,276(**)	,820(**)
CWFun	,306(**)	,248(*)	,295(**)	,210(*)
CWThrilling	,262(**)	0,192	,209(*)	,220(*)
CWHappy	,300(**)	0,183	,221(*)	0,164
CWPositiveappeal	,569(**)	,519(**)	,476(**)	,325(**)
CWHighquality	,274(**)	,374(**)	,287(**)	,411(**)
**				
*				

Correlation is significant at the 0.01 level (2-tailed).

Correlation is significant at the 0.05 level (2-tailed).

CWOFun	CWOThrilling	CWOWHappy	CWOWPositiveappeal	CWOWHighquality	CWOWUseful	CWOWFunctional	CWOWPractical	CWOWriskfree
,300(**)	,284(**)	,309(**)	,532(**)	,384(**)	,709(**)	,591(**)	,664(**)	,418(**)
,264(**)	,236(*)	,238(*)	,417(**)	,379(**)	,591(**)	,695(**)	,601(**)	,425(**)
,288(**)	,237(*)	,246(*)	,408(**)	,293(**)	,477(**)	,525(**)	,749(**)	,276(**)
0,19	,220(*)	0,176	,248(*)	,509(**)	,303(**)	,376(**)	,271(**)	,820(**)
1	,770(**)	,712(**)	,671(**)	,300(**)	,330(**)	,268(**)	,460(**)	,236(*)
,770(**)	1	,682(**)	,702(**)	,232(*)	,301(**)	,279(**)	,425(**)	,303(**)
,712(**)	,682(**)	1	,639(**)	,219(*)	,318(**)	,236(*)	,398(**)	,218(*)
,671(**)	,702(**)	,639(**)	1	,347(**)	,464(**)	,443(**)	,579(**)	,333(**)
,300(**)	,232(*)	,219(*)	,347(**)	1	,354(**)	,344(**)	,331(**)	,516(**)
,330(**)	,301(**)	,318(**)	,464(**)	,354(**)	1	,742(**)	,639(**)	,362(**)
,268(**)	,279(**)	,236(*)	,443(**)	,344(**)	,742(**)	1	,680(**)	,401(**)
,460(**)	,425(**)	,398(**)	,579(**)	,331(**)	,639(**)	,680(**)	1	,334(**)
,236(*)	,303(**)	,218(*)	,333(**)	,516(**)	,362(**)	,401(**)	,334(**)	1
,765(**)	,686(**)	,663(**)	,624(**)	,202(*)	,403(**)	,344(**)	,462(**)	,252(*)
,714(**)	,847(**)	,644(**)	,670(**)	,226(*)	,334(**)	,341(**)	,453(**)	,320(**)
,678(**)	,660(**)	,704(**)	,556(**)	0,145	,358(**)	,295(**)	,384(**)	0,168
,451(**)	,518(**)	,404(**)	,750(**)	,288(**)	,569(**)	,601(**)	,679(**)	,424(**)
,200(*)	,224(*)	0,121	,286(**)	,702(**)	,342(**)	,522(**)	,396(**)	,511(**)

CWFun	CWThrilling	CWHappy	CWPositiveappeal	CWHighquality
,306(**)	,262(**)	,300(**)	,569(**)	,274(**)
,248(*)	0,192	0,183	,519(**)	,374(**)
,295(**)	,209(*)	,221(*)	,476(**)	,287(**)
,210(*)	,220(*)	0,164	,325(**)	,411(**)
,765(**)	,714(**)	,678(**)	,451(**)	,200(*)
,686(**)	,847(**)	,660(**)	,518(**)	,224(*)
,663(**)	,644(**)	,704(**)	,404(**)	0,121
,624(**)	,670(**)	,556(**)	,750(**)	,286(**)
,202(*)	,226(*)	0,145	,288(**)	,702(**)
,403(**)	,334(**)	,358(**)	,569(**)	,342(**)
,344(**)	,341(**)	,295(**)	,601(**)	,522(**)
,462(**)	,453(**)	,384(**)	,679(**)	,396(**)
,252(*)	,320(**)	0,168	,424(**)	,511(**)
1	,798(**)	,771(**)	,554(**)	,202(*)
,798(**)	1	,676(**)	,623(**)	,275(**)
,771(**)	,676(**)	1	,457(**)	0,155
,554(**)	,623(**)	,457(**)	1	,369(**)
,202(*)	,275(**)	0,155	,369(**)	1

Correlations for House

Correlations		HWOUsefull	HWOFunctional	HWOPractical	HWORiskfree	HWOFun
HWOUsefull		1				
HWOFunctional	Pearson Correlation	,581(**)	1	,444(**)	,293(**)	,448(**)
HWOPractical	Pearson Correlation	,444(**)	,789(**)	1	,335(**)	,387(**)
HWORiskfree	Pearson Correlation	,293(**)	,335(**)	,369(**)	1	,334(**)
HWOFun	Pearson Correlation	,448(**)	,387(**)	,334(**)	,275(**)	1
HWOThrilling	Pearson Correlation	,372(**)	,327(**)	,276(**)	,270(**)	,752(**)
HWOHappy	Pearson Correlation	,476(**)	,479(**)	,393(**)	0,134	,600(**)
HWOPositiveappeal	Pearson Correlation	,557(**)	,489(**)	,419(**)	,286(**)	,676(**)
HWOHIGHQuality	Pearson Correlation	,485(**)	,632(**)	,605(**)	,374(**)	,379(**)
HWUsefull	Pearson Correlation	,688(**)	,513(**)	,455(**)	,405(**)	,389(**)
HWFUNCTIONal	Pearson Correlation	,544(**)	,746(**)	,721(**)	,314(**)	,408(**)
HWPractical	Pearson Correlation	,378(**)	,655(**)	,681(**)	,371(**)	,456(**)
HWRiskfree	Pearson Correlation	,312(**)	,284(**)	,317(**)	,760(**)	,349(**)
HWFun	Pearson Correlation	,388(**)	,362(**)	,345(**)	,260(**)	,753(**)
HWThrilling	Pearson Correlation	,382(**)	,343(**)	,345(**)	,290(**)	,626(**)
HWHappy	Pearson Correlation	,332(**)	,363(**)	,266(**)	,246(**)	,511(**)
HWPositiveappeal	Pearson Correlation	,431(**)	,464(**)	,455(**)	,224(**)	,553(**)
HWHIGHQuality	Pearson Correlation	,350(**)	,481(**)	,444(**)	,367(**)	,345(**)
**	Correlation is significant at the 0.01 level (2-tailed).					
*	Correlation is significant at the 0.05 level (2-tailed).					

HWOThrilling	HWOHHappy	HWOPositiveappeal	HWOHHighQuality	HWUUsefull	HWFunctionall
,372(**)	,476(**)	,557(**)	,485(**)	,688(**)	,544(**)
,327(**)	,479(**)	,489(**)	,632(**)	,513(**)	,746(**)
,276(**)	,393(**)	,419(**)	,605(**)	,455(**)	,721(**)
,270(**)	0,134	,286(**)	,374(**)	,405(**)	,314(**)
,752(**)	,600(**)	,676(**)	,379(**)	,389(**)	,408(**)
1	,500(**)	,586(**)	,327(**)	,301(**)	,353(**)
,500(**)	1	,701(**)	,478(**)	,314(**)	,460(**)
,586(**)	,701(**)	1	,506(**)	,447(**)	,513(**)
,327(**)	,478(**)	,506(**)	1	,512(**)	,634(**)
,301(**)	,314(**)	,447(**)	,512(**)	1	,673(**)
,353(**)	,460(**)	,513(**)	,634(**)	,673(**)	1
,367(**)	,333(**)	,429(**)	,475(**)	,510(**)	,719(**)
,360(**)	0,175	,285(**)	,362(**)	,369(**)	,309(**)
,639(**)	,661(**)	,680(**)	,339(**)	,383(**)	,430(**)
,701(**)	,483(**)	,555(**)	,349(**)	,352(**)	,427(**)
,437(**)	,670(**)	,594(**)	,382(**)	,329(**)	,360(**)
,489(**)	,641(**)	,675(**)	,426(**)	,458(**)	,607(**)
,301(**)	,341(**)	,397(**)	,728(**)	,469(**)	,571(**)

	HWRiskfree	HWFun	HWTThrilling	HWHappy	HWPositiveappeal	HWHighQuality
HWPractical						
,378(**)	,312(**)	,388(**)	,382(**)	,332(**)	,431(**)	,350(**)
,655(**)	,284(**)	,362(**)	,343(**)	,363(**)	,464(**)	,481(**)
,681(**)	,317(**)	,345(**)	,345(**)	,266(**)	,455(**)	,444(**)
,371(**)	,760(**)	,260(**)	,290(**)	,246(*)	,224(*)	,367(**)
,456(**)	,349(**)	,753(**)	,626(**)	,511(**)	,553(**)	,345(**)
,367(**)	,360(**)	,639(**)	,701(**)	,437(**)	,489(**)	,301(**)
,333(**)	0,175	,661(**)	,483(**)	,670(**)	,641(**)	,341(**)
,429(**)	,285(**)	,680(**)	,555(**)	,594(**)	,675(**)	,397(**)
,475(**)	,362(**)	,339(**)	,349(**)	,382(**)	,426(**)	,728(**)
,510(**)	,369(**)	,383(**)	,352(**)	,329(**)	,458(**)	,469(**)
,719(**)	,309(**)	,430(**)	,427(**)	,360(**)	,607(**)	,571(**)
1	,371(**)	,417(**)	,413(**)	,380(**)	,503(**)	,405(**)
,371(**)	1	,349(**)	,357(**)	,214(*)	,290(**)	,439(**)
,417(**)	,349(**)	1	,716(**)	,617(**)	,639(**)	,372(**)
,413(**)	,357(**)	,716(**)	1	,672(**)	,605(**)	,390(**)
,380(**)	,214(*)	,617(**)	,672(**)	1	,624(**)	,406(**)
,503(**)	,290(**)	,639(**)	,605(**)	,624(**)	1	,487(**)
,405(**)	,439(**)	,372(**)	,390(**)	,406(**)	,487(**)	1

Correlations Risks

Correlations									
RhFinancial	Pearson Correlation					RhFinancial	1		
RhFunctionality	Pearson Correlation					RhFunctionality	,228(*)		
RhFysical	Pearson Correlation					RhFysical	,278(**)	1	
RhSocial	Pearson Correlation					RhSocial	,389(**)		1
RhPsychological	Pearson Correlation					RhPsychological	0,133	0,166	0,177
RcFinancial	Pearson Correlation					RcFinancial	,449(**)	0,196	,404(**)
RcFunctionality	Pearson Correlation					RcFunctionality	,694(**)	,243(*)	-0,007
RcFysical	Pearson Correlation					RcFysical	0,149	,276(**)	0,161
RcSocial	Pearson Correlation					RcSocial	,329(**)	,400(**)	0,008
RcPsychological	Pearson Correlation					RcPsychological	0,042	0,042	,526(**)
*	Correlation is significant at the 0.05 level (2-tailed).						0,11	0,169	,269(**)
**	Correlation is significant at the 0.01 level (2-tailed).								

RhPsychological	RcFinancial	RcFunctionality	RcFysical	RcSocial	RcPsychological
,449(**)	,694(**)	0,149	,329(**)	0,042	0,11
0,196	,243(*)	,276(**)	,400(**)	0,042	0,169
,208(*)	,232(*)	,209(*)	,400(**)	0,121	
,404(**)	-0,007	0,161	0,008	,526(**)	,269(**)
1	,310(**)	0,142	0,175	,226(*)	,451(**)
0,142	,303(**)	1	,450(**)	0,078	0,166
0,175	,450(**)	1	,446(**)	,271(**)	,253(*)
			,446(**)	1	0,128
,226(*)	0,078	,271(**)	0,128	1	,440(**)
,451(**)	0,166	,253(*)	,427(**)	,440(**)	1

Correlations

Correlations			
ExpertImportantHouse	Pearson Correlation	ExpertImportantHouse	ExpertImportantCar
ExpertImportantCar	Pearson Correlation	1	,309(**)
SalesPersonCar	Pearson Correlation	-0,161	1
SalesPersonHouse	Pearson Correlation	0,028	-0,183
RecognizeMarbodal	Pearson Correlation	0,14	-0,064
RecognizeGoodyear	Pearson Correlation	0,102	0,031
**	Correlation is significant at the 0.01 level (2-tailed).		-0,072

SalesPersonCar	SalesPersonHouse	RecognizeMarbodal	RecognizeGoodyear
-0,161	0,028	0,14	0,102
-0,183	-0,064	0,031	-0,072
1	,259(**)	-0,034	0,025
,259(**)	1	-0,082	0,06
-0,034	-0,082	1	-0,086
0,025	0,06	-0,086	1

Appendix 6

Reliability Statistics – House without Ingredient Brand

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,880	,882	9

Reliability Statistics- House with Ingredient Brand

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,883	,885	9

Reliability Statistics- Car without Ingredient Brand

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,859	,860	9

Reliability Statistics- Car with Ingredient Brand

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,879	,880	9

Reliability Statistics- House Risks

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,694	,693	6

Reliability Statistics – Car Risks

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,680	,678	5

Appendix 7

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
CWOHighquality	Between Groups	,250	1	,250	,153	,697
	Within Groups	160,500	98	1,638		
	Total	160,750	99			
CWHighquality	Between Groups	,360	1	,360	,201	,655
	Within Groups	175,480	98	1,791		
	Total	175,840	99			